





REPORT

OF THE

JUDICIARY COMMITTEE

TO WHOM WAS REPERRED THE

"RESOLUTION OF INQUIRY"

INTO ALLEGED "ILLEGAL USE, OR UNLAWFUL APPLICATION OF THE PUBLIC MONEY, OR ANY PART OF THE SCHOOL FUND FOR MOBILE COUNTY, OR OTHER PUBLIC FUND."

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REPORT.

The Judiciary Committee, to whom was referred the "Resolution" of inquiry into alleged "illegal use or unlawful application of the public money of any part of the school fund for Mobile county, or other public fund," beg leave to report, that they have availed themselves of all accessible means of information upon the subject, and of the benefit which was to be derived from counsel learned in the law, some of whom appeared before your committee as counsel for Mr. G. L. Putnam and Dr. N. B. Cloud, whilst others appeared as counsel against them, and for what was and is known as the "Old School Board of Commissioners," as the result of laborious and faithful inquiry.

Your committee report that the voluminous evidence adduced establishes to their satisfaction the following facts, to-wit:

1. That by illegal conduct of said Cloud, State Superintendent, and G. L. Putnam, (so called) County Superintendent for Mobile county, the latter obtained from the State Treasurer, on or about the 29th day of January, 1869, a sum between five and six thousand dollars, and by far the greater portion thereof was unlawfully applied, if not the whole amount thereof was illegally used, by said Putnam in paying off certain teachers and employees belonging to what is known as the "Blue College" in Mobile, which said College belongs to, and has ever been conducted under the patronage of the American Missionary Association, and at the time said money was so paid, or pretended to be paid, and expended for the use and benefit of said College and teachers, said teachers were in the employment of said Board; and in no just sense were they em-

ployed as teachers under the school laws of Alabama. And by reason of such illegal use of said funds, this large sum was diverted and illegally used, and making the treasury of the State tributary to an institution in no way connected with the State school system at that time-and thereby depriving thousands of children in the county of Mobile from any participation in said funds. That at the time said money was so received and illegally expended, said G. L. Putnam was not a bonded officer as County Superintendent of Public Schools in Mobile county; and that said money was so drawn from the treasury of the State, and so illegally used, when it was known to said Cloud and Putnam that the latter had no proper bonds on file as County Superintendent of Mobile county; and with the full knowledge of the fact that said Putnam was not in fact said County Superintendent, said Cloud did issue a paper, writing to said Putnam, which enabled him to obtain said large amount, and Putnam illegally used the same as herein shown.

Although your committee feel it due to Dr. Cloud to say that he possibly acted in this transaction with a view to reconcile certain school difficulties in Mobile, nevertheless, your committee cannot look with allowance upon such unjustifiable conduct in so important a public functionary—conduct so wholly unreconcilable with any duty or privilege under the school laws.

The State Superintendent, Dr. Cloud, appointed two Superintendents in Mobile county, one called the County Superintendent, the other called the Superintendent of Colored Schools.

2. That in July, 1869, the said State Superintendent appointed said Putnam County Superintendent of Mobile county; that more than sixty days afterwards the said Putnam executed a bond as County Superintendent, which was approved by the Judge of the Circuit, which includes Mobile county; which bond has recently been pronounced by the grand jury of Mobile county as insufficient, as appears by the published report of said grand jury; that since the approval of said bond, the said State Superintendent furnished the said Putnam with the instrument

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which enabled him to obtain from the Auditor a warrant on the State Treasurer for over nine thousand dollars of the public school funds of Mobile, which warrant the said Putnam was restrained from collecting only by an injunction which has been dissolved within the last few days by the action of the Supreme Court; but was dissolved by that court upon grounds which establish the unalterable dedication of the whole of the public school funds of Mobile county to the purpose of educating the youth of that county and to no other purpose.

The warrant of the Auditor last mentioned is not shown ever to have passed out of the hands of said Putnam; and the presumption is plain that he still has it and will now collect. it, as said injunction is dissolved, if he has not already done so; and there is no information that any new bond has been given.

- 3. That since the said Putnam obtained the last mentioned warrant, and whilst said injunction was of full force as to said State Superintendent as well as to said Putnam, the said State Superintendent, at the instance, and by the procurement of said Putnam, obtained from the State Treasurer two thousand dollars, or a larger sum, of the public school funds of Mobile county and city, with the intent and purpose, on the part of both of Cloud and Putnam, that the same should be applied to the payment of fees of the lawyers employed by one or both them in said litigation in said injunction suit; and that the same was in fact applied in payment of fees of said lawyers; the said Cloud and Putnam both assenting thereto. This application of said amount of the public school funds of Mobile, is palpably illegal, and is shown to be so by the decision of the supreme court in the case above referred to.
- 4. That whilst said injunction was of force, the said Putnam, through the act of said Cloud, obtained \$3,600 of the public school funds of Mobile county, a part, if not all of which, was illegally used or applied.
- 5. That after all this, the said State Superintendent drew a warrant, at the instance of said Putnam, upon the Auditor, (Comptroller) for three thousand three hundred dol-

lars of the public school funds of Mobile, which warrant was drawn under color of section 975 of the Revised Code, and was presented to the Auditor; but the said Putnam being in the Auditor's office before the Auditor drew his warrant on the Treasurer for said \$3,300, the Auditor asked Putnam if he was not interested in said warrant; Putnam admitted he was, and thereupon the Auditor refused to allow or act on said warrant of the State Superintendent, which was afterwards torn up by Cloud or Putnam.

- 6. Your committee further state, that many other facts were adduced before the committee, which tended to incline the minds of the committee to the opinion and belief, that the teachers in the Blue College aforesaid, in Mobile, were paid and allowed generally, salaries and compensation—and particularly one Squires—sum and sums of money for their services to a larger amount than is consistent with a faithful and economical administration of the trust on the part of said Cloud and Putnam; for instance, at the rate of \$4,000 per year, or \$1,000 per quarter to said Squires. That there appears further, from the evidence, that sums of money, too large in amount and greatly disproportionate to the services rendered, are, and have been allowed and paid to county superintendents in the counties in this State.
- 7. Your committee with great diffidence, respectfully recommend to your honorable body, and suggest some change in the system and order of officials in the school system, such as—
- 1. The abandonment of the special legislature at the earliest moment in which a change may be practicable, by an amendment of the Constitution.
- 2. The passage of laws prohibiting any person from holding more than one office in the entire school system, under such prohibitions and restrictions as the legislature in their wisdom may deem proper and expedient.
- 3. The adoption of a uniform compensation for all county superintendents.
- 4. A general reduction in the pay of all the officials. We especially call the attention of this General Assembly, and

the Senate in particular, to this item, as partaking too much of the quality of a sponge to the amount of funds raised for school purposes in this State, and as tending to greatly depreciate the present school system in the estimation of the tax-paying people of Alabama.

G. T. McAFEE, Chairman.

I. SIBLEY, DAN. V. SEVIER, A. N. WORTHY.

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